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Foreign

CROPS AND MARKETS

FOR RELEASE MONDAY, JUNE 11, 1962

Volume 84

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Number 24

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UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE
WASHINGTON 25, D.C.

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**INDIAN CENTRAL TOBACCO COMMITTEE
STRESSES PLANTING OF DELCREST**

At its annual meeting held in Bombay recently, the Indian Central Tobacco Committee recommended the planting of "Delcrest," a flue-cured variety of cigarette leaf. Extensive trials with this new variety have shown that yields averaged from 200 to 300 pounds more per acre than for other varieties. The quality of the leaf, particularly the color, is claimed to be superior to that for other varieties. This variety was planted in 1961-62 in Ongole and Guntur areas in Andhra Pradesh. The Committee has made arrangements for the production of pure seed for distribution to growers for the coming planting season.

**WEST GERMAN TOBACCO IMPORTS
CONTINUE UPWARD**

West Germany's duty-paid imports of unmanufactured tobacco continued upward through 1961. Imports last year totaled 214.9 million pounds, compared with 192.8 million in 1960 and the 1955-59 annual average of 164.5 million. Larger takings were reported from all principal suppliers except Cuba, Canada, Indonesia, and India.

**TOBACCO, UNMANUFACTURED: West Germany, duty-paid imports
by country of origin, 1959-61**

Country of origin	1959	1960	1961
<u>1,000 pounds</u>			
United States.....	59,144	62,194	67,480
Greece.....	35,524	35,823	36,454
Rhodesias-Nyasaland.....	11,113	14,873	17,504
Italy.....	8,950	13,520	17,092
Turkey.....	12,555	11,929	12,242
Indonesia.....	7,576	9,207	9,191
Brazil.....	8,588	8,931	9,138
Bulgaria.....	5,588	5,934	8,417
Japan.....	4,096	5,227	7,122
Colombia.....	6,419	5,453	6,038
Dominican Republic.....	4,907	3,392	5,122
Soviet Union.....	1,392	2,256	2,838
Thailand.....	2,089	2,241	2,636
Philippines.....	577	1,904	2,293
Yugoslavia.....	1,123	1,563	2,232
Canada.....	2,589	1,554	1,372
Cuba.....	2,392	1,559	418
Others.....	3,453	5,288	7,316
Total.....	178,075	192,848	214,905

Der Aussenhandels der Bundesrepublik Deutschland-Teil II, December 1961.
(Continued)

Imports of U.S. leaf, at 67.5 million pounds, were 8.5 percent greater than the 1960 level of 62.2 million pounds. However, the United States percentage share of the German market continued to decline and represented only 31.4 percent of total imports, compared with 32.3 percent in 1960 and 33.2 percent in 1959.

Imports of Greek and Turkish leaf were a little greater than in 1960; but takings from the Sino-Soviet bloc, mainly oriental leaf, were about one-third larger than the 10 million pounds imported during 1960. Also, there were significant increases in imports from the Rhodesias-Nyasaland, Italy, Japan, Brazil, Colombia, the Dominican Republic, the Philippines, and Thailand. Combined imports from Thailand, Japan, Italy, and the Rhodesias-Nyasaland were 8.5 million pounds larger than the 1960 level of 35.9 million with the latter two suppliers accounting for about 73 percent of the increase.

FRENCH 1961 TOBACCO IMPORTS

LARGEST SINCE 1955

French imports of unmanufactured tobacco during 1961 totaled 79.1 million pounds--35 percent greater than the relatively low 1960 level of 58.5 million, and were the largest since 1955. Larger takings from the United States, Turkey, Brazil, Argentina, Bulgaria, Algeria, Malagasy Republic, and India more than offset reduced imports from Greece, Colombia, Italy, Cuba, and the Rhodesias-Nyasaland.

TOBACCO, UNMANUFACTURED: France, imports by country of origin,
1959-61

Country of origin	:	1959	:	1960	:	1961
	:	1,000	:	1,000	:	1,000
	:	pounds	:	pounds	:	pounds
Algeria.....	:	8,676	:	13,724	:	15,203
Turkey.....	:	6,265	:	3,593	:	10,900
United States.....	:	5,607	:	4,114	:	7,782
Greece.....	:	12,167	:	8,314	:	6,933
Malagasy Republic.....	:	7,957	:	6,565	:	6,845
Yugoslavia.....	:	9,261	:	6,845	:	6,424
Brazil.....	:	4,753	:	1,728	:	5,736
Bulgaria.....	:	4,101	:	3,439	:	4,101
Cameroon.....	:	2,418	:	2,028	:	3,115
India.....	:	1/	:	560	:	2,941
Argentina.....	:	1/	:	1,836	:	2,892
Colombia.....	:	1,444	:	1,453	:	672
Others.....	:	4,457	:	4,302	:	5,506
Total.....	:	67,106	:	58,501	:	79,050

1/ If any, included in others.

Ministry of Finance, Customs Bureau.

Imports of U.S. leaf, at 7.8 million pounds, were the largest since 1957. Imports of U.S. dark fire-cured leaf were double those of recent years while takings of U.S. flue-cured declined sharply to the lowest level since 1950, reflecting resistance to rising prices. Imports of U.S. burley were also down from the previous year. The demand for U.S. fire-cured leaf in France is strong and larger imports are needed to supplement supplies following the short 1961 crops of dark tobaccos in both France and Algeria.

Imports from Latin America, at 10.7 million pounds, were almost double the 1960 level of 5.5 million. Larger takings from Brazil, Argentina, Paraguay, and the Dominican Republic were more than enough to offset reduced imports from Colombia and Cuba. Imports from this area during 1962 are expected to increase significantly and augment short supplies of dark air-cured leaf.

Leaf imports from within the French Union totaled 25.8 million pounds, compared with 23.4 million in 1960. Imports from Algeria were 1.5 million pounds larger than the 13.7 million in 1960. The near crop failure in Algeria during 1961 will doubtless reduce French takings substantially from this source of supply during 1962. Combined takings from the other members of the French Union are expected to be somewhat larger in 1962.

SOUTH AFRICA'S TOBACCO EXPORTS NEAR RECORD

Exports of unmanufactured tobacco from the Republic of South Africa during 1961 totaled 8 million pounds, exceeded only by the 1960 record of 10.4 million. Exports consist primarily of the flue-cured types.

Larger shipments to the United Kingdom, Australia, and West Germany were not enough to offset the reduction in exports to the Netherlands, Canada, and New Zealand. Exports to the Netherlands declined from 6.3 million pounds in 1960 to 2.5 million in 1961. Combined shipments to Canada and New Zealand were significantly below a year ago.

TOBACCO, UNMANUFACTURED: Republic of South Africa,
exports by country of destination, 1959-61

Country of destination	1959	1960	1961 <u>1/</u>
	<u>1,000 pounds</u>		
United Kingdom.....	1,744	2,331	3,386
Netherlands.....	1,469	6,331	2,470
Australia.....	593	558	1,386
Germany, West.....	12	27	213
Senegal, Republic of.....	---	233	13 ⁴
Canada.....	---	552	81
New Zealand.....	22	148	44
Others.....	236	223	253
Total.....	4,076	10,403	7,967

1/ Preliminary. Subject to revision.

PAKISTAN'S CIGARETTE OUTPUT UP

Cigarette output in Pakistan during 1961 totaled 12.1 billion pieces--up 21.3 percent from the 9.9 billion produced in 1960. Production during 1961 was almost five times larger than a decade ago.

Average retail prices of cigarettes, by brands, in Karachi during February 1962, were equivalent to 12.4 U.S. cents for Capstan Navy Cut and 5.9 cents for Scissors, per pack of ten.

ITALIAN OUTPUT OF TOBACCO PRODUCTS CONTINUES UPWARD

Output of tobacco products by the Italian Tobacco Monopoly during 1961 totaled 131.9 million pounds, compared with 125.8 million in 1960.

Cigarette output, at 117.7 million pounds, was 6.7 percent greater than the 1960 level of 110.3 million pounds. Output of cigarillos was also larger, while the production of cigars and cut tobacco was smaller than for the previous year.

NEW ZEALAND EXPANDS MEAT EXPORTS

New Zealand's meat exports have expanded rapidly since termination of the bulk purchase agreement with the United Kingdom in 1955.

New Zealand shipped about \$165 million worth of meat products in 1955 with more than 87 percent of the total going to the United Kingdom and about 5 percent to the six European Common Market (EEC) countries.

Exports during 1961 amounted to more than \$225 million. The United Kingdom continued to be the largest export market, but took only 63 percent of total shipments. Meat exports to the United States during 1961 amounted to about \$61 million and nearly 27 percent of the total. Shipments to EEC countries were only 1 percent of the total.

Exports during the first 3 months of 1962 were nearly 8 percent in weight above the same months of 1961 with the United Kingdom and the United States continuing to be the best markets. Russia became the third largest buyer taking about 17 million pounds. The U.S.S.R. did not purchase from New Zealand in 1961.

U.S. IMPORTS OF MOST LIVESTOCK PRODUCTS RISE IN APRIL

U.S. imports of beef and veal, pork, mutton, variety meats, dutiable wool, and all hides and skins were higher in January-April than in the first 4 months of 1961.

LIVESTOCK PRODUCTS: U.S. imports of selected items, April 1961 and 1962
 January-April 1961 and 1962, with percentage change

(Product weight basis)

Commodity	April			January-April		
	1961	1962	Percent change	1961	1962	Percent change
	1,000 pounds	1,000 pounds	:Percent :Percent	1,000 pounds	1,000 pounds	:Percent :Percent
Red meats:	:					
Fresh, frozen, canned, and cured beef and veal.....	53,493	61,365	+15	161,663	272,922	+69
Other meats 1/.....	3,373	2,620	-22	9,569	8,773	-8
Total beef and veal...:	56,866	63,985	+12	171,232	281,695	+65
Pork.....	12,618	16,243	+29	57,433	67,403	+17
Mutton.....	7,492	4,941	-34	17,178	29,864	+74
Lamb.....	1,852	1,292	-30	5,718	4,720	-17
Total red meat.....	78,828	86,461	+10	251,561	383,382	+52
Variety meats.....	123	185	+50	561	800	+43
Wool (clean basis):	:					
Dutiable.....	8,287	10,678	+29	31,472	47,968	+52
Duty free.....	13,911	9,880	-29	54,440	42,714	-22
Total wool.....	22,198	20,558	-7	85,912	90,682	+6
Hides and skins (1,000 pieces):	:					
Cattle and buffalo....	70	146	+109	194	557	+187
Calf.....	38	77	+103	95	187	+97
Kip.....	39	51	+31	173	228	+32
Sheep and lamb.....	3,384	1,687	-50	11,090	12,992	+17
Goat and kid.....	1,174	1,512	+29	4,604	5,686	+24
Horse.....	35	47	+34	96	171	+78
Pig.....	65	216	+232	180	628	+249
Live cattle (number) 2/	74,148	117,393	+58	298,705	402,076	+35

1/ Other meat, canned, prepared, or preserved. 2/ Includes cattle for breeding.

U.S. Department of Commerce.

(Continued)

Red meat imports were 52 percent larger in January-April than in January-April of the previous year. Beef and veal imports rose 65 percent because of the continued strong demand for manufacturing meats. Inshipments of pork were 17 percent higher than the first 4 months of 1961; part of the increase was larger shipments of fresh pork from Canada. Imports of mutton were 74 percent larger, however, lamb imports were down 17 percent. The April increase in meat imports over 1961 of 10 percent was much less than in each of the 3 previous months.

Imports of variety meats amounted to about 800,000 pounds in January-April compared to 561,000 in January-April last year.

Wool imports were 6 percent higher than in January-April 1961. Apparel (dutiable) wool rose 52 percent and more than offset the 22 percent decline in carpet (duty-free) wools.

Hide and skin imports were higher for all classes. Relatively favorable U.S. prices have encouraged increased imports of buffalo hides, calf and kip skins, pig skins, sheep and lamb skins, and horse hides which are not produced in sufficient volume to supply domestic requirements.

Cattle imports of 402,076 head were 35 percent above those of January-April 1961. Mexican shipments into the United States accounted for almost three-fourths of the total. Imports from Canada were about double those of the first 4 months of 1961, but the monthly rate was considerably less than during the last 6 months of 1961. Cattle imports from Canada have shifted in recent weeks from mainly feeder cattle to mostly slaughter cattle.

AUSTRALIAN MEAT SHIPMENTS TO THE UNITED STATES

The Otaki left Australia May 13, 1962, with 8,962,240 pounds of beef, 555,520 pounds of mutton, and 20,160 pounds of variety meats for the United States.

Ship	Sailing date	Destination	Arrival date	Cargo	Quantity
					Pounds
Otaki.....	May 13	Charleston	June 13	Beef	322,560
		"	" "	Mutton	67,200
		New York	June 17	Beef	6,274,240
		" "	" "	Mutton	286,720
		" "	" "	Variety meats	11,200
		Boston	" 26	Beef	1,050,560
		Philadelphia	" 29	"	1,314,880
		"	" "	Mutton	201,600
		"	" "	Variety meats	8,960

^{1/} Cities listed indicate location of purchaser and usually the port of arrival and general market area, but the meat may be diverted to other areas for sale.

AUSTRALIA SETS UP BEEF RESEARCH FUND

The Australian Government and cattle producers have contributed equally to a beef research fund of \$731,250.

This is the first time a large scale program has been developed to assist cattle producers. Projects to be undertaken include research on pasture improvement and management, cattle husbandry, disease and pest control, and economic marketing surveys. Grants will be made to the state universities, the Commonwealth Scientific and Industrial Research Organization (C.S.I.R.O.), and the Bureau of Agricultural Economics to carry out the proposed projects.

The program is designed to fill a longfelt need in the Australian cattle industry and should do much to raise the efficiency of beef production.

CHILE SUSPENDS DUTIES ON INEDIBLE GREASE IMPORTS

The Chilean Ministry of Finance issued a decree on May 15 suspending the specific import duty on inedible animal greases and reducing the ad-valorem duty to 3 percent of the c.i.f. value until June 30.

The former rate was .45 gold pesos per kilogram (U.S. 4.3 cents per pound) plus 30 percent ad valorem.

The announced purpose of the decree was to avoid a scarcity of animal fats and to supply lower priced fats to the soap industry. It will have the most effect on tallow imports as Chile does not import much hog grease. Historically, Argentina has been the major supplier of tallow, providing about 8 million pounds in each of the last 2 years. The United States exported just over 1 million pounds to Chile in 1961, and about 0.2 million pounds in 1960.

VENEZUELAN CATTLEMEN WANT HIGH QUALITY BREEDING STOCK

The State Rancher's Association of Estado Falcon, Venezuela, has indicated its desire to import Brahma and Brown Swiss breeding stock.

High quality cattle that will live, thrive, and breed in a hot, arid climate are needed to improve existing stock. The Association specified the above-named breeds, but is interested in other breeds that have proven successful in arid regions.

Inquiries should be sent to Dr. Ibrahim Oberto, Asociacion Estadal de Ganaderos, Cora, Estado Falcon.

IRISH LIVESTOCK EXPORTS RISE IN FIRST QUARTER OF 1962

During the first quarter of 1962, Ireland's exports of live cattle, pork, and lamb and mutton were considerably higher than in January-March 1961.

Exports of live cattle rose from 190,000 head in the first 3 months of 1961, to 194,000 in January-March this year. However, the pattern of exports changed from fat cattle to feeder cattle. Feeder cattle shipments increased by about 24,000 head while fat cattle exports declined by about 20,000.

Exports of beef dropped nearly one-third during January-March because of higher prices due to the removal of export payments and because of the loss of contracts to supply U.S. Armed Forces Commissaries in Europe. Beef and cattle exports during 1962 are expected to average below 1961 because of the reduction in cattle numbers from 4,241,000 head on January 1, 1961, to 4,100,000 on January 1, 1962.

Pork exports in the first 3 months of 1962 rose as slaughter increased 13 percent. Exports have shifted from bacon sides to fresh pork because of the drop in bacon prices on the U.K. market.

Sheep and lambs slaughtered for export rose from 61,000 head in January-March 1961 to 142,000 in the first quarter of 1962. Lamb and mutton shipments are mostly to the United Kingdom.

UNITED KINGDOM SHIPS MORE EVAPORATED MILK; LESS CONDENSED MILK

U.K. exports of evaporated whole milk in first quarter, 1962, were up 15 percent to 7 million pounds. India, Malaya, and Malta were the heaviest purchasers in this period, taking 1 million pounds each.

Condensed whole milk sales dropped from 14 million pounds to 8 million pounds. A sharp decrease in shipments to Malaya accounted for most of this decline.

The United Kingdom increased its imports of evaporated whole milk 12 percent to 4 million pounds in the first quarter. Condensed milk imports--slightly under one million pounds--were unchanged from the earlier year.

FROZEN STRAWBERRIES ARRIVE FROM MEXICO

A preliminary report on frozen strawberry imports from Mexico for the week ending June 2 shows 1.4 million pounds to the United States and .03 million pounds to Canada.

FEED GRAINS MARKETS SUPPORTED BY GAIN IN HOG NUMBERS

The demand for feed grains in world markets is strongly supported by substantial increases in hog populations in certain countries.

Western Europe, the principal feed grains importing area, currently has 66.5 million head of hogs, representing a gain of 12.2 percent over 1959 and 29.3 percent over 1951-55. Hog numbers in this region have gained 3.7 million since 1961.

Swine numbers in West Germany total 17.2 million head, showing an increase of 16.6 percent since 1959. France has 9 million head, 7 percent higher than in 1959. Italy with 4.8 million gained 24.8 percent; the Netherlands with 3.2 million 24.8 percent; and Denmark 7.1 million 27.1 percent. The United Kingdom with pig numbers of 6.7 million, shows only .25 percent increase since 1959. They have, however, gained 26.6 percent since 1951-55 and 9.7 percent over last year.

Pig numbers in Poland at 14.3 million are 27.1 percent over 1959. Russia has 66.6 head, 36.8 percent higher than in 1959.

Japan now has a swine population of 3.1 million head. This is 39.3 percent over 1959 and four times their number in 1951-55. They have gained 20 percent during the last year.

PAKISTAN HAS MORE RICE TO EXPORT

The Government of West Pakistan has procured 313,000 metric tons of good-quality rice from the 1961-62 crop as compared with 266,000 in the year before. Practically all of the rice will be available for export in the remaining 7 months of 1962.

Varieties procured are as follows (1,000 metric tons of milled rice): Joshi 160; Basmati 59; Kangni 47; Permal 18; and Begmi 29.

Pakistan produced the third consecutive above average crop in 1961-62. Production is estimated at 15,830,000 metric tons of rough rice, compared with the record 16,068,000 tons of 1960-61, and 14,432,000 in 1959-60. Production from 1955-56 through 1959-60 averaged 12,800,000 tons.

Unfavorable weather at the time of planting reduced the 1961-62 rice acreage, but excellent growing weather and improved cultural practices resulted in the highest yields per acre on record.

RHODESIA TO INCREASE PRODUCTION OF OILSEEDS AND FATS AND OILS IN 1962

The Federation of Rhodesia and Nyasaland is expected to increase production of oilseeds and vegetable oils by about 4 percent in 1962.

(Continued)

OILSEEDS AND VEGETABLE FATS AND OILS: Rhodesia and Nyasaland,
 commercial production, imports, and exports 1960 and 1961 also
 1962 production forecast

Item	Production			Imports		Exports		
	1960	1961	1962	1/	1960	1961	1960	1961
	<u>Short tons</u>							
Oilseeds:								
Peanuts (shelled).....	39,060	62,370	65,000	8,852	6,719	23,752	25,507	
Cottonseed.....	9,710	9,666	9,500	---	---	448	1	
Soybeans.....	---	376	1,000	---	---	---	154	
Sunflower seed.....	1,143	2,717	3,000	---	---	52	338	
Tung nuts.....	3,520	4,248	4,250	---	---	---	---	
Castor beans.....	2/	2/	2/	---	---	---	184	
Other oilseeds.....	---	---	---	12	88	198	321	
Total.....	<u>53,433</u>	<u>79,377</u>	<u>82,750</u>	<u>8,864</u>	<u>6,807</u>	<u>24,450</u>	<u>26,505</u>	
Vegetable Fats and Oils:								
Peanut oil.....	9,000	10,000	10,500	---	---	1,066	1,231	
Cottonseed oil.....	750	750	750	---	---	---	---	
Tung oil.....	1,226	1,384	1,400	---	---	56	211	
Coconut oil.....	---	---	---	838	1,527	---	---	
Palm and palm kernel oil:	---	---	---	1,576	1,270	---	---	
Linseed oil.....	---	---	---	189	90	---	---	
Other vegetable oils....	---	---	---	1,396	1,000	---	---	
Total.....	<u>10,976</u>	<u>12,134</u>	<u>12,650</u>	<u>3,999</u>	<u>3,887</u>	<u>1,122</u>	<u>1,442</u>	

1/ Forecast.

2/ Data not available since production is derived principally from wild plants.

Central Statistical Office--except for 1962 production forecast data which are unofficial estimates.

Oilseed production (79,377 short tons) increased by almost one-half in 1961 from the previous year and is expected to continue upward slightly in 1962. This expected rise is attributed to anticipated increases in production of peanuts and soybeans under proposed government expansion of oilseed production. Although peanuts are both exported and imported, increased indigenous production may void the need for importing nuts for crushing in the current year. This was reflected in a decline in 1961 peanut imports by almost one-fourth from the previous year.

Production of the edible vegetable oils (10,750 tons of peanuts and cottonseed) rose by more than one-tenth in 1961 from 1960 and is expected to make additional gains in 1962. The increase will result almost entirely from an expected 5 percent rise in the production of peanut oil. The total peanut crush amounted to about 25,000 tons, including some imported nuts. Oil exports, largely peanut oil, represent only about one-tenth of the production. Tung oil production in 1961 at 1,384 tons, increased by about 13 percent from the previous year, but is not expected to change significantly in 1962.

Imports of vegetable fats and oils consisting mostly of coconut, palm, and palm kernel oils declined by 3 percent in 1961 from 1960 to a level of about one-third of the domestic fats and oils produced in that period.

CANADIAN SOYBEAN GROWERS REQUEST HIGHER SUPPORT PRICE

The Ontario Soya-Bean Growers' Marketing Board on May 24 submitted a request to the Agricultural Stabilization Board in Ottawa for a \$2.50 per bushel (U.S. \$2.31) price support for 1962 crop soybeans. This would be 37 cents higher than the 1961 price of \$2.13.

The brief presented by the chairman of the Marketing Board stated that a price of \$2.50 per bushel is realistic in view of increasing production costs and competing commodities. Furthermore, the brief suggested that should such a price support be implemented, soybean production would increase.

It also pointed out that the soybean has become a basic essential in two major fields in Canada and production falls far short of domestic requirements. Both soybean oil and soybean meal consumption exceed Canadian production by about two-thirds, with the production deficit offset by large imports from the United States.

U.S. EXPORTS OF SOYBEANS UP IN MARCH; EDIBLE OILS, AND CAKES AND MEALS DOWN

Exports of U.S. soybeans in March rose to 10.9 million bushels, 0.6 million above the previous month.

Accumulative exports during October-March 1961-62 were up 9 percent from the same period in the previous year and 23 percent above the comparable period in 1959-60. Major countries of destination, together with their percentages of total U.S. soybean exports in March, were: Japan 33 percent; West Germany 18 percent; the Netherlands 11 percent; Denmark 9 percent; and Italy 8 percent.

U.S. exports of edible oils (soybean and cottonseed) during March, at 107.4 million pounds, declined by 18.2 million pounds from the previous month. Despite this fact, exports during the first half of 1961-62 were up by more than one-third from the comparable period in 1960-61. During this 6-month period, shipments made under Titles II and III of Public Law 480 comprised about 30 percent of the total.

Shipments of U.S. soybean oil in March at 78.8 million pounds, including 23.7 million pounds of foreign donations, were down by 6.4 million pounds from the previous month. Most of these shipments were made to Turkey, Israel, and Poland and amounted to 28 percent, 21 percent, and 20 percent respectively, of the total. Shipments during the period October-March 1961-62, were up about 35 percent from the corresponding period in 1960-61.

SOYBEANS, EDIBLE OILS, AND OILSEED CAKES AND MEALS: U.S.
exports, year beginning October 1, 1959, and 1960;
October-March 1960 and 1961

Item	Unit	October-March			
		1959-60	1960-61	1/	1960-61:1961-62
				1/	1/
Soybeans.....	Million bushels	: 141.4	130.0	85.1	92.9
Oil equivalent.....	Million pounds	: 1,552.4	1,428.1	934.1	1,020.1
Meal equivalent.....	1,000 short tons	: 3,287.1	3,056.5	1,999.2	2,183.7
Edible oils:		:	:	:	:
Soybean.....	Million pounds	: 952.8	2/721.2	364.2	3/493.9
Cottonseed.....	do.	: 503.3	4/369.4	193.5	5/254.3
Total.....	do.	: 1,456.1	1,090.6	557.7	748.2
Cakes and meals:		:	:	:	:
Soybean.....	1,000 short tons	: 648.7	589.7	338.5	564.5
Cottonseed.....	do.	: 140.2	46.0	36.2	2.6
Linseed.....	do.	: 62.6	31.0	26.2	11.7
Total 6/.....	do.	: 867.0	670.7	404.9	579.0

1/ Preliminary. 2/ Includes an estimated 20.8 million pounds exported under foreign donations programs. 3/ Includes an estimated 129.7 million pounds exported under foreign donations programs (Titles II and III). 4/ Includes an estimated 13.6 million pounds exported under foreign donations programs. 5/ Includes an estimated 60.8 million pounds exported under foreign donations programs (Titles II and III). 6/ Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from records of the Bureau of the Census and USDA estimates.

Cottonseed oil shipments, which in March amounted to 28.6 million pounds, including 10 million pounds of foreign donations, declined by more than one-third from the previous month, but were up by more than 30 percent during the accumulative period October-March 1961-62 from the comparable period of the preceding year.

Oilseed cake and meal exports from the United States during March amounted to 102,090 short tons, a decline of 7 percent from the previous month. However, accumulative exports during the period October-March 1961-62 were up by more than two-fifths from the same period in 1960-61.

U.S. soybean meal exports in March, at 101,960 tons, were down by 7 percent from the previous month. But total shipments of soybean meal during the first 6 months of the current year were up two-thirds from the same period in the preceding year. During this period, soybean meal represented about 98 percent of the total U.S. cake and meal exports compared with 84 percent and 70 percent in the comparable periods of 1960-61 and 1959-60, respectively.

Major markets for U.S. soybean meal in March and total exports were: France 25; Canada 15; Switzerland 12; West Germany, the Netherlands, and Belgium 10 each.

C O R R E C T I O N

In the article, "Argentina Raises Flaxseed Support Price", Foreign Crops and Markets, May 28, an exchange rate reflecting the devaluation of the peso should have been used to convert the 1962-63 flaxseed support price to U.S. dollar equivalent. At the rate of 105 pesos to 1 U.S. dollar--the final quotation on May 15--the new support price of 900 pesos per quintal would be equivalent to \$2.18 per bushel.

URUGUAYAN PRODUCTION AND EXPORTS OF OILSEEDS TO INCREASE

In Uruguay, where 1961 oilseed production increased by one-third from the previous year, production in 1962 is expected to increase by one-sixth from 1961. Oilseed exports, consisting almost solely of flaxseed, are expected to show sharp gains in 1962.

Oilseed production in Uruguay, consisting largely of flaxseed and sunflower seed, has expanded greatly in recent years. Factors responsible include a shift of acreage from wheat to oilseed crops under government programs as well as higher yields reflecting favorable weather conditions. The flaxseed crop harvested November-January 1961-62 rose by more than one-half from a year earlier. The sunflower seed crop now being harvested is expected to decline by more than one-tenth. Increased flaxseed production has been attributed to an increase in seeded area.

The decline expected in the production of sunflower seed will be from low prices which caused farmers to reduce acreages. Flaxseed exports, which make up the bulk of Uruguay's oilseed exports, are expected to increase in 1962 by some 38,000 short tons from 1961.

Production of edible fats and oils, in 1961 consisting largely of sunflower seed oil, gained more than one-fourth from the previous year. However, in 1962, only slight gains of about 2 percent are expected. Imports and exports have been negligible since 1960 when about 8,800 tons of soybean oil from the United States were imported after the disastrous floods of 1959.

(Continued)

OILSEEDS, FATS AND OILS, OILSEED CAKES AND MEALS: Uruguay,
 production, imports, and exports 1960, 1961,
 and 1962 forecast

Item	Production			Imports			Exports		
	1960	1961	1962	1960	1961	1962	1960	1961	1962
			1/			1/			1/
----- 1,000 short tons -----									
Oilseeds 2/									
Flaxseed.....	55.4	73.7	113.5	---	---	---	---	6.0	44.1
Sunflower seed.....	79.8	108.0	96.7	---	---	---	---	---	---
Peanuts.....	5.8	7.2	8.8	---	---	---	---	---	---
Olives.....	0.9	1.0	1.0	0.1	0.1	0.1	---	---	---
Cottonseed.....	0.7	0.7	0.9	---	---	---	---	---	---
Total.....	142.6	190.6	220.9	0.1	0.1	0.1	---	6.0	44.1
Edible Fats and Oils:									
Sunflower seed oil.....	17.2	22.8	23.0	---	---	---	---	---	---
Peanut oil.....	1.5	2.0	2.5	---	---	---	---	---	---
Olive oil.....	0.1	0.1	0.1	0.1	0.1	0.1	---	---	---
Cottonseed oil.....	0.1	0.1	0.1	---	---	---	---	0.5	0.9
Butter.....	6.5	8.0	8.0	---	---	---	---	---	---
Lard.....	1.7	1.8	1.9	---	---	---	---	---	---
Soybean oil.....	---	---	8.8	---	---	---	---	---	---
Total.....	27.1	34.8	35.6	8.9	0.1	0.1	---	0.5	0.9
Inedible Fats and Oils:									
Linseed oil.....	17.0	23.6	23.6	---	---	---	21.9	27.8	22.0
Castorbean oil.....	---	---	---	0.2	0.3	---	---	---	---
Coconut oil.....	---	---	---	1.1	1.1	---	---	---	---
Tung oil.....	---	---	---	0.1	0.1	---	---	---	---
Tallow.....	6.8	6.1	7.2	1.1	---	---	---	---	---
Total.....	23.8	29.7	30.8	1.1	1.4	1.5	21.9	27.8	22.0
Cakes and Meals:									
Linseed cake, meal and expeller.....	27.0	35.2	35.3	---	---	---	24.4	13.4	27.6
Sunflower cake, meal and expeller.....	24.7	32.7	33.1	---	---	---	7.1	12.4	16.5
Peanut cake, meal and expeller.....	1.9	2.4	3.0	---	---	---	0.4	1.2	1.3
Meat meal.....	5.2	4.4	5.5	---	---	---	---	---	---
Fish meal.....	1.1	1.3	1.3	---	---	---	---	---	---
Dry whole milk.....	2.2	0.2	0.3	0.1	1.0	0.9	---	---	---
Total.....	62.1	76.2	78.5	0.1	1.0	0.9	31.9	27.0	45.4

1/ Forecast.

2/ Production refers to crops harvested largely during March-May of the year indicated with the exception of flaxseed which is harvested principally during November and December of the preceding year.

Inedible fats and oils production in 1962, mainly linseed oil, is expected to remain at about the 1961 level. This reflects an expected increase in exports of flaxseed as such. Linseed oil exports, the principal purchasers of which include the Netherlands, Western Germany, Italy, and the United Kingdom, are expected to decline more than one-fifth from 1961. Exports of edible fats and oils are relatively small and are not expected to change significantly.

Production of cakes and meals which in 1961 consisted largely of linseed and sunflower cakes and meals, representing 46 percent and 43 percent of the total, respectively, is expected to increase but very slightly in 1962. Cake and meal exports, which in 1961 declined by about 15 percent from the previous year, may rise by more than two-thirds in 1962. Linseed cake and meal exports, which accounted for the bulk of the shipments, are expected to more than double the 1961 tonnage.

SUEZ CANAL OIL-BEARING MATERIAL SHIPMENTS CONTINUE AT REDUCED VOLUME

The volume of oil-bearing materials shipped through the Suez Canal in April 1962 was 3 percent below that of March 1962 (Foreign Crops and Markets, May 14, 1962) and one-fifth less than the quantities shipped in April 1961.

OIL-BEARING MATERIALS: Suez Canal, northbound shipments by kind, April 1961 and 1962, and October-April 1960-61 and 1961-62

Item	April		October-April	
	1961	1962	1960-61	1961-62
	Metric tons	Metric tons	Metric tons	Metric tons
Soybeans 1/.....	12,000	6,300	202,000	142,394
Copra.....	87,000	39,460	484,000	361,557
Peanuts.....	17,000	22,369	85,000	124,958
Cottonseed.....	15,000	18,682	61,000	75,917
Flaxseed 2/.....	2,000	2,951	10,000	25,589
Castor beans.....)		3,695)		20,476
Palm nuts and kernels.....)	15,000	2,098)	126,000	20,981
Others.....)		23,266)		98,938
Total.....	148,000	118,821	968,000	870,810

1/ 1 metric ton of soybeans equals 36.74333 bushels.

2/ 1 metric ton of flaxseed equals 39.367857 bushels.

Total shipments of all oil-bearing materials through April 1961 of the U.S. marketing year beginning October 1, 1961, were 10 percent smaller than shipments during the comparable period of the previous marketing year.

Apart from soybeans, copra shipments were smaller than in the previous marketing year whereas peanuts, cottonseed, flaxseed, and other oil-bearing material shipments increased substantially.

The movements of soybeans (presumed to be Chinese) through the Canal from October through April of the current marketing year are running below the volume in the comparable period of the marketing years beginning October 1, 1957, 1958, 1959, and 1960.

SOYBEANS: Suez Canal, northbound shipments, April, May, June, and quarterly totals, 1957-61

Month and Quarter	Year beginning October 1				
	1957	1958	1959	1960	1961
	<u>1,000 bushels</u>				
April.....	1,212	2,756	4,556	441	231
May.....	1,286	2,792	2,866	184	---
June.....	1,176	4,152	1,213	588	---
October-December.....	1,029	4,189	8,598	919	919
January-March.....	5,328	10,435	13,999	6,062	4,082
April-June.....	3,674	9,700	8,635	1,213	---
July-September.....	7,275	5,879	2,756	2,776	---
October-September.....	17,306	30,203	33,988	10,970	

ARGENTINA INCREASES GRAIN SUPPORT PRICES

Argentina has raised its 1962-63 guaranteed producer prices for hard wheat, yellow oats, malting barley, and rye from 26 percent to 48 percent above the respective 1961-62 levels.

These increases, are, however, in varying degree offset by a recent devaluation of the Argentine peso by about 28 percent relative to its value of a year ago, in terms of the U.S. dollar.

The 1962-63 producer support price for hard wheat is above the current regular market price for hard wheat in Argentina but those for yellow oats, malting barley, and rye are considerably below the respective regular market prices. The regular market prices rose following the devaluation of the peso in April.

GRAINS: Argentina, guaranteed producer prices,
1961-62 and 1962-63

Grain	1961-62	1962-63	1961-62	1962-63
	<u>Pesos per quintal</u>		<u>U.S. Dollars per bushel 1/</u>	
Hard wheat.....:	430	540	1.42	1.28
Yellow oats.....:	240	330	.42	.42
Malting barley.....:	250	370	.66	.70
Rye.....:	240	350	.74	.77

1/ Conversions at the June 1, 1961, and June 1, 1962 exchange rates.

To encourage the movement of domestic grains from the farms through the market in bulk, the producer support prices will be the same whether the farmers sell their grains in bulk or in bags.

In Argentina, the farmers have the option of selling their grains to the National Grain Board at these support prices or to private buyers at the regular market prices.

The purpose of these increases in the guaranteed producer grain prices is to encourage Argentine farmers to step up grain production. The Secretary of Agriculture has called for the expansion of the wheat and corn area by a million hectares (2,471,000 acres) each in 1962-63.

The 1962-63 support prices for corn, white oats, feed barley, grain sorghums, and millet, however, have not yet been announced.

U.S. COTTON LINTERS IMPORTS DOWN IN APRIL

U.S. imports of cotton linters, mostly felting qualities, amounted to 17,000 bales (500 pounds gross) in April, down 19 percent from the 21,000 bales imported in March, but 13 percent above imports of 15,000 bales in April 1961.

Imports during the first three-fourths (August-April) of the 1961-62 season totaled 168,000 bales, compared with 108,000 bales in the corresponding period a year earlier. Quantities imported from principal sources during August-April 1961-62, with comparable 1960-61 figures in parentheses, were: Mexico 91,000 bales (59,000); U.S.S.R. 23,000 (20,000); Brazil 19,000 (5,000); Argentina 10,000 (3,000); Guatemala 6,000 (3,000); El Salvador 6,000 (3,000); Turkey 6,000 (2,000).

ITALIAN COTTON SITUATION CONTINUES FAVORABLE

The Italian cotton textile industry is having another favorable season in 1961-62 with a level of activity close to last season's 30-year record volume of consumption.

(Continued)

Raw cotton imports may ease slightly from the 1,047,000 bales (500 pounds gross) taken in 1960-61, while cotton consumption appears likely to approximate the 1,050,000 bales used in the previous season.

During the first half of 1961-62, cotton consumption totaled just over 500,000 bales--about equal to mill use in the same period a year earlier. Domestic offtake remained firm in the first half of this season. However, sales could ease in the second half of the season, due in part to higher yarn and fabric prices brought about by increased wages in the Italian textile industry.

Imports of cotton into Italy during the first 7 months (August-February) of the current season totaled 597,000 bales, slightly less than the 614,000 imported in the comparable 1960-61 period. Receipts from the United States, Egypt, and Mexico declined in the period under review, while shipments increased from most other major sources. Imports of U.S. cotton amounted to 258,000 bales or 43 percent of the total intake in August-February 1961-62, against 300,000 bales or 49 percent of the total in the same period a year earlier.

Quantities imported from chief suppliers other than the United States from August 1961 through February 1962, with 1960-61 figures in parentheses, were: Turkey 113,000 bales (75,000); Sudan 46,000 (31,000); Egypt 34,000 (47,000); Mexico 27,000 (60,000); Greece 22,000 (17,000); Brazil 17,000 (5,000); Iran 16,000 (14,000); Syria 13,000 (14,000); Peru 12,000 (11,000); and the U.S.S.R. 12,000 (19,000).

Cotton production in Italy this season was estimated at 24,000 bales from 54,000 acres. This was somewhat below the 27,000 bales produced on 55,000 acres in 1960-61, and 37 percent less than annual average production in the past 5 seasons of 38,000 bales from 89,000 acres. Although the government favors increased cotton production, little headway has been made in recent years, due to irregular rainfall, insufficient irrigation water, and strong competition from other crops. Actually, acreage devoted to cotton in 1961-62 declined for the sixth season from a recent high in 1955-56 of 133,000 acres.

In view of the likelihood of continued high level consumption, coupled with smaller imports and lower domestic production, stocks this season may decline moderately from the 385,000 bales on hand at the beginning of the season.

Prices for U.S. and most foreign cotton in Italy have remained relatively steady in recent weeks. Quotations for most qualities declined considerably in February, more than offsetting a moderate climb from the end of last season. Prices of various qualities of U.S. and foreign growths of cotton, c.i.f. Milan, for different periods are shown in the accompanying table.

COTTON: C.i.f. prices at Milan, generally for prompt shipment, specified U.S. and foreign growths, monthly averages July 1961, January and April 1962, and quotations on May 31, 1962, generally for forward delivery

Country	Quality	July 1961	January 1962	April 1962	May 31, 1962
- - - - - U.S. cents per pound - - - - -					
United States.....: M 1"	:	28.40	29.05	28.13	28.25
" ": M 1-1/32"	:	28.90	29.62	28.75	28.75
" ": M 1-1/16"	:	29.75	30.05	29.30	29.40
" ": SM 1-1/16"	:	30.25	30.88	29.83	30.00
" ": GM 1-3/32"	:	31.50	32.15	30.77	30.95
Mexico.....: SM 1-1/16"	:	30.20	30.55	29.80	29.80
": GM 1-3/32"	:	31.40	31.25	30.70	30.70
South Brazil.....: Type 5(M 1")	:	26.60	27.10	27.45	28.00
Syria.....: SM 1-1/16"	:	30.12	30.65	29.60	29.35
Turkey.....: SM 1-1/16"	:	30.18	30.55	29.70	29.50

COTTON TRADE SLOWS BETWEEN FREE WORLD AND COMMUNIST COUNTRIES

Exports of cotton from the Free World to Communist countries, as well as imports into the Free World from Communist countries, declined during the first 4 to 8 months of the 1961-62 season, compared with similar periods a year earlier.

Shipments to Communist countries from the countries listed in the accompanying table amounted to 580,000 bales during the specified periods. This is nearly one-third lower than the 835,000 bales shipped in comparable months of 1960-61. There were substantial declines in exports to all Communist countries except Bulgaria and Rumania.

The largest declines were in exports from Egypt, Pakistan, and the United States. Exports of cotton from the United States to Poland are all under Public Law 480 arrangements. Reduced shipments from Egypt were due to that country's smaller domestic crop and government measures designed to increase cotton sales to non-Communist countries, while the smaller outflow from Pakistan may be attributed to the sharp drop in takings by China. Larger quantities of cotton moved to Communist countries from Syria, Mexico, Greece, and Brazil.

Imports of cotton into the Free World from Communist countries, mostly from the U.S.S.R., totaled 111,000 bales in the first 5 to 7 months of 1961-62, 26 percent below the 151,000 imported a year earlier.

(Continued)

COTTON: Exports from Free World countries to Communist countries,
1961-62 with comparable totals for 1960-61 1/

		(Bales of 500 pounds gross)											
		Reporting period			Bulgaria	China	Czechoslovakia	East Germany	Hungary	Poland	Romania	U.S.S.R.	Total
Exporting country	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales	bales
Brazil	--	--	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
British East Africa	--	--	<u>3/</u>	--	1	--	--	2	--	--	2	2	7
Egypt	--	--	6	<u>22</u>	77	11	4	24	11	71	--	<u>3/</u>	5
Greece	--	--	5	--	14	--	2	22	5	25	72	72	37
India	--	--	<u>3/</u>	--	--	--	1	--	--	--	1	1	<u>3/</u>
Mexico (direct)	--	--	--	--	--	--	--	--	7	--	7	7	0
Mexico (transshipment)	--	--	--	--	--	--	--	--	20	1	21	21	0
Pakistan	--	--	10	1	--	--	1	--	--	--	12	12	75
Sudan	--	--	1	3	3	<u>3/</u>	1	3	8	9	29	29	29
Syria	--	--	57	29	28	--	1	21	26	11	171	171	101
Turkey	--	--	--	7	--	3	4	--	--	--	14	14	22
United States <u>4/</u>	--	--	--	--	--	--	19	--	--	--	19	19	213
Total 1961-62 <u>2/</u>	70	66	129	11	13	94	79	119	580	--	--	--	--
Total 1960-61 <u>2/</u>	36	132	154	20	44	274	42	134	--	--	835	835	835

1/ Statistics for some countries are preliminary. This table does not include all cotton shipped from Free World to Communist countries. 2/ Does not add due to rounding. 3/ Less than 500 bales. 4/ Running bales.

Quantities imported into major Free World countries from the Communist countries in the periods under review, with comparable 1960-61 figures in parentheses, were: West Germany 29,000 bales (39,000); Finland 24,000 (27,000); Japan 21,000 (8,000); Italy 13,000 (16,000); France 9,000 (27,000); Austria 7,000 (9,000); and the United Kingdom 6,000 (19,000).

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